

Exhibit “A”



# **NORTHEAST ANKENY URBAN RENEWAL PLAN**

**City of Ankeny, Iowa**

**October, 2010**

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## I. INTRODUCTION

This plan document shall be known as the NORTHEAST ANKENY URBAN RENEWAL PLAN, herein referred to as the URBAN RENEWAL PLAN or PLAN. The Plan has been prepared to provide for the development of the NORTHEAST ANKENY URBAN RENEWAL AREA, herein referred to as the URBAN RENEWAL AREA OR PROJECT AREA and to stimulate private investment in the Urban Renewal Area through public actions, financings and commitments.

The public rights-of-way being included in this Northeast Ankeny Urban Renewal Area are designated regional commercial transportation connectors and serve as primary corridors into the City of Ankeny. A critical component of the proper functioning of Ankeny's transportation system relies on the addition of a new interchange with Interstate 35 at 36<sup>th</sup> Street. The new interchange provides an additional access point to the regional transportation system and will be a critical component to relieving existing pressure on the First Street interchange with Interstate 35 as well as servicing the projected commercial and industrial development area in northeast Ankeny. Accordingly, reconstruction/improvement of NE 36<sup>th</sup> Street is necessary for the promotion of new commercial and industrial development. Parks, trails, and related improvements are important for commercial and industrial economic development in order to attract and maintain employees for Ankeny's existing and new businesses.

The division of taxation authorized by Section 403.19 of the Iowa Code and the separation of incremental taxes as defined in Section 403.19(2) are being proposed for implementation in the Urban Renewal Area. Under the terms of the Plan, the tax increment mechanism may be continued and implemented within the Urban Renewal Area. The Urban Renewal Area is expected to be subject to the provisions of an ordinance of the City with respect to the division of taxes levied and collected within the Project Area.

## II. PLAN AREA – DISTRICT DESIGNATION

The adoption of this Plan by the City of Ankeny designates the Urban Renewal Area as an Economic Development Area appropriate for commercial and industrial enterprises. The purpose of this designation is to alleviate and prevent conditions of unemployment by assisting and retaining local industries and commercial enterprises and to strengthen and revitalize the economy of the City and the State. The result of this designation will provide needed employment facilities and opportunities to the residents of the City by encouraging the location and expansion of certain commercial and industrial enterprises.

The property or area included in the Urban Renewal Area, Economic Development Area is legally described in "Exhibit A", by reference incorporated in and made a part of the Plan, and shown on the Urban Renewal Area Map "Exhibit B". Specific improvements and Urban Renewal Activities proposed by the Plan are described in "Exhibit C".

This urban renewal area includes certain 'agricultural land' as defined in Iowa Code Chapter

403; however, all agricultural owner consents have been executed with respect to all such agricultural land. Such consents are filed with the City's Northeast Ankeny Urban Renewal Plan file.

### III. LAND USE PLAN AND ZONING

The City of Ankeny has a general plan for the physical development of the City as a whole as outlined in the 2010 Ankeny Comprehensive Plan. The City Council finds that the Urban Renewal Plan is in conformance with the existing 2010 Ankeny Comprehensive Plan. The goals and objectives of this Urban Renewal Plan are consistent with the goals and land use policy, which are identified and adopted as part of the planning and zoning process.

The Project Area is currently zoned as C-2 (General Retail, Highway Oriented, and Central Business Commercial District), C-2 with Conditions, and R-1 (One-Family Residence District). Current use of the property includes commercial uses, office uses, rural residential, various agricultural uses, a commercial airport, public right-of-way, and vacant lands which are not conducive to development due to slopes or other constraints.

The office, commercial, and industrial development stimulated by the Plan activities will serve as an economic catalyst for the surrounding area. The additional commercial and industrial development will provide local employment opportunities. The Plan provides for economic use of land which has limited applicability for other uses, resulting in private investment that may not otherwise occur and thereby significantly increasing the taxable value of the property. It will also create a substantially higher level of investment in the surrounding residential and commercial properties both in total amount of development and in the value of individual homes and commercial and industrial structures, thus substantially increasing the tax base beyond that which would otherwise be probable for the area.

Although there may eventually be mixed use, including residential, it is not intended that residential projects or activities will be assisted with incentives under the authority of this Plan.

### IV. PLAN OBJECTIVES.

The City objectives for development within the NORTHEAST ANKENY URBAN RENEWAL PLAN are as follows:

1. To stimulate through public action and commitment, private investment in new commercial and industrial development;
2. To plan for and provide sufficient land for commercial and industrial development in a manner that is efficient from the standpoint of providing municipal services;
3. To provide a more marketable and attractive investment climate;

4. To achieve a diversified, well-balanced economy providing a desirable standard of living, creating job opportunities, and strengthening the tax base;
5. To attract new and encourage the expansion of existing industries and businesses to the City;
6. To ensure that the Project Area is adequately served with public facilities, roadways, utilities and services; or
7. To ensure the ability of existing and potential employers to attract and retain a work force of adequate size and therefore locate and expand operations within the City, amenities such as parks, trails, and related improvements are essential.

V. DESCRIPTION OF THE URBAN RENEWAL ACTIVITIES

To meet the objectives of the Urban Renewal Plan, the City may undertake Urban Renewal Activities that are designed to provide opportunities, incentives, infrastructure and sites for community economic development purposes. The City intends to utilize the powers conferred under Chapter 403 and Chapter 15A, Code of Iowa. Activities may include:

- A. To undertake and carry out Urban Renewal Objectives through the execution of contracts and other instruments;
- B. To provide for the construction of public improvements such as streets, water, sanitary and storm sewers, grading and site preparation activities, access roads, parking, fencing, utility connections, parking facilities and public buildings, trails, and parks together with related activities;
- C. To acquire property through a variety of means (purchase, lease, exchange, condemnation, donation or otherwise) and to hold, clear or prepare the property for redevelopment;
- D. To dispose of property so acquired (by sale, lease, exchange or otherwise) for purposes of private redevelopment;
- E. To make grants, loans, tax incentives, or other financial assistance to private persons or businesses for economic development purposes on such terms as may be determined by the City Council
- F. To borrow money and to provide security therefore;
- G. To make or have made surveys and plans necessary for the implementation of the Urban Renewal Plan or specific Urban Renewal Activities;

- H. To use tax increment financing for a variety of purposes, including the achievement of a more marketable and competitive land offering price and to provide for necessary physical improvements and infrastructure;
- I. To use any and all other powers granted by the Urban Renewal Act for development and provide for improved economic conditions for the City of Ankeny and the State of Iowa;
- J. “Exhibit C” details the specific list of anticipated Urban Renewal Projects; other related projects may be included in the future as well.

## VI. URBAN RENEWAL FINANCING

The City of Ankeny intends to utilize various financing tools, including but not limited to, those described below to successfully undertake the proposed Urban Renewal Activities. The City of Ankeny has the statutory authority to use a variety of tools to finance physical improvements within the Project Area. These include but are not limited to:

### A. Tax Increment Financing

The City intends to utilize tax increment financing as a means to help pay for the costs associated with the development of the Project Area. General obligation bonds, tax increment revenue bonds or other such obligations or loan agreements may be issued by the City, and tax increment reimbursement may be sought for, among other things, the following costs:

1. The construction of public improvements, such as: streets, sanitary sewers, storm sewers, water mains, sidewalks, parking facilities, public buildings, together with related activities;
2. The acquisition and preparation of land for sale to private developers;
3. The making of loans or grants to private businesses under Chapters 15A and 403 of the Code of Iowa, including debt service payments on any bonds or notes issued to finance such loans or grants;
4. Providing the local matching share of state, federal or local grants and loan programs; or
5. Other activities as described in Article V and “Exhibit C.”

### B. Loans or Grants

The City may provide grants, loans, guarantees, tax incentives, and other financial assistance for the benefit of private persons for activities deemed necessary or

appropriate for economic development purposes and to aid in the planning undertaking and carrying out of Urban Renewal Activities authorized under this Urban Renewal Plan and Iowa Code provisions.

Accordingly, in furtherance of the objectives of this Urban Renewal Plan, the City may determine to issue general obligation bonds, tax increment revenue bonds or other such obligations, or loan agreements for making loans or grants of public funds to private businesses located within the Project Area.

Before public funds are used for grants, loans, tax incentives, or other financial assistance to private persons or on behalf of private persons for economic development, the City shall determine that a public purpose will reasonably be accomplished by the dispensing or use of those funds. In determining whether the funds should be dispensed, the City shall consider any or all of the following factors:

1. Businesses that add diversity to or generate new opportunities for the Iowa economy should be favored over those that do not.
2. Development policies in the dispensing of the funds should attract, retain, or expand businesses that produce exports or import substitutes or which generate tourism-related activities.
3. Development policies in the dispensing or use of the funds should be targeted toward businesses that generate public gains and benefits, which gains and benefits are warranted in comparison to the amount of the funds dispensed.
4. Development policies in dispensing the funds should not be used to attract a business presently located within the state to relocate to another portion of the state unless the business is considering in good faith to relocate outside the state or unless the relocation is related to an expansion which will generate significant new job creation. Jobs created as a result of other jobs in similar Iowa businesses being displaced shall not be considered direct jobs for the purpose of dispensing funds.

Nothing herein shall be construed as a limitation on the power of the City of Ankeny to exercise any lawful power granted to the City under Chapter 15A, Chapter 403, Chapter 427B, or any other provision of the Code of Iowa in furtherance of the objectives of this Urban Renewal Plan.

#### C. Tax Abatement

Under Section 403.6 subsection 18 of the Iowa Code, the City has the authority to abate taxation of value added to real estate within the Project Area during the process of construction for development or redevelopment for up to two years, and is an incentive for redevelopment of the property under certain conditions.

#### D. Special Tax Increment Financing

It is not the intent of the City to utilize Tax Increment Financing to finance public infrastructure projects to support or aid the development of housing and residential development within this Economic Development Area, Northeast Ankeny. The mixed use nature of some of the City's Land Use categories may lead to certain projects affecting portions of the overall area utilizing tax increment financing for infrastructure to develop commercial, light industrial and civic uses that may include a housing or residential component that cannot be easily separated. If that occurs the City will make a determination on the portion of the infrastructure cost attributed to the support or aid for the housing and residential component of that specific infrastructure project and not use urban renewal financing sources for that portion.

#### VII. IMPLEMENTATION.

Construction of the public infrastructure facilities and improvements identified as Urban Renewal Activities listed in "Exhibit C" may begin following the adoption and effective date of the Plan and the adoption of an ordinance for the division of revenue under Iowa Code Section 403.19 and shall proceed according to the discretion of the City with respect to timing, phasing, and prioritization of same.

#### VIII. RELOCATION

It is expected that only vacant and agricultural land will need to be acquired for the projects listed herein, and that said land will be willingly sold or donated by the land owners. However, if any businesses or homes are displaced as a result of the project as described in the Plan, the City of Ankeny will comply with any required dislocation assistance.

The City must comply with applicable State or Federal laws governing the relocation of persons displaced from project areas as a result of urban renewal activities undertaken pursuant to the plan. The City therefore reserves the right to follow such laws in furtherance of a particular project.

#### IX. PROJECT AND CITY INDEBTEDNESS

At this time, the extent of public improvements and other urban renewal activities to be undertaken within the Project Area is generally shown in attached Exhibit "C", and may include other such improvements deemed appropriate and necessary by the City for furtherance of this Urban Renewal Project.

Proceeds for such bonds and other indebtedness are expected to be used for engineering and administration, construction of public improvements, possible land acquisition within the Project Area, and other allowable expenses. Such bonds or other indebtedness, which would be repaid in whole or part from the tax increment revenues generated within the Project Area



or other funding sources, are not expected to exceed 20 years of duration. See further detail in Article XII.

#### Tax Increment Financing

The City of Ankeny has a constitutional debt limit of \$177,854,893 as of July 1, 2010, the date of its last audited financial statements. As of July 1, 2010, the outstanding general obligation debt of the City was \$131,261,000. The City may use the division of revenue authorized by Iowa Code Section 403.19 to finance the proposed urban renewal activities within the Northeast Ankeny Urban Renewal Area in such manner as may be permitted under Chapter 403 of the Code of Iowa. A specific amount of tax increment debt to be incurred (including loans, advances, indebtedness, or bonds) for projects over time has not yet been determined. The City Council will consider each request for assistance or project proposal on a case-by case basis to determine if it is in the City's best interest to participate. It is estimated that the City's cost for the initial anticipated projects discussed herein may be within a range from \$55,000,000 to \$65,000,000. However, in no event will the City incur debt in excess of its constitutional debt limitation.

#### X. STATE AND LOCAL REQUIREMENTS

All provisions necessary to conform to State and local laws will be complied with by the City in implementing the Plan and its supporting documents.

#### XI. AMENDMENTS.

The Plan may be amended in any manner deemed appropriate to accomplish the Plan Objectives, in accordance with the provisions of Chapter 403, Code of Iowa, 2009.

#### XII. APPLICABILITY.

The Plan will become effective upon its adoption by the City Council and will remain in effect until repealed by the City Council. The Plan is applicable to all development within the Project Area as legally described in Exhibit "A."

With respect to any property covered by the Plan which is included in an ordinance which designates that property as a tax increment area, the use of incremental property tax revenues, or the "division of revenue" as those words are used in Chapter 403 of the Code of Iowa, currently is limited to twenty (20) years from the calendar year following the calendar year in which the City first certifies to the County Auditor the amount of any loans, advances, indebtedness, or bonds which qualify for payment from the incremental property tax revenues attributable to that property. However, the use of tax increment financing revenues (including the amount of loans, advances, indebtedness or bonds which qualify for payment from the division of revenue provided in Section 403.19 of the Iowa Code) by the City for activities carried out under the Plan shall be limited as deemed appropriate by the City Council and consistent with all applicable provisions of law.

XIII. EFFECTIVE DATE AND SEVERABILITY.

The Plan shall become effective upon adoption by resolution of the City Council of Ankeny, Iowa, following an opportunity for written recommendation by the Plan and Zoning Commission of the City of Ankeny, Iowa, a consultation meeting with the affected taxing entities, and following a public hearing as required by Chapter 403, Code of Iowa, 2009. If any section, provision, or party of the Plan is adjudged to be invalid or unconstitutional, such adjudication shall not affect the validity of the Plan as a whole or any action, provision, or part hereof not adjudged to be invalid or unconstitutional.

## EXHIBIT A

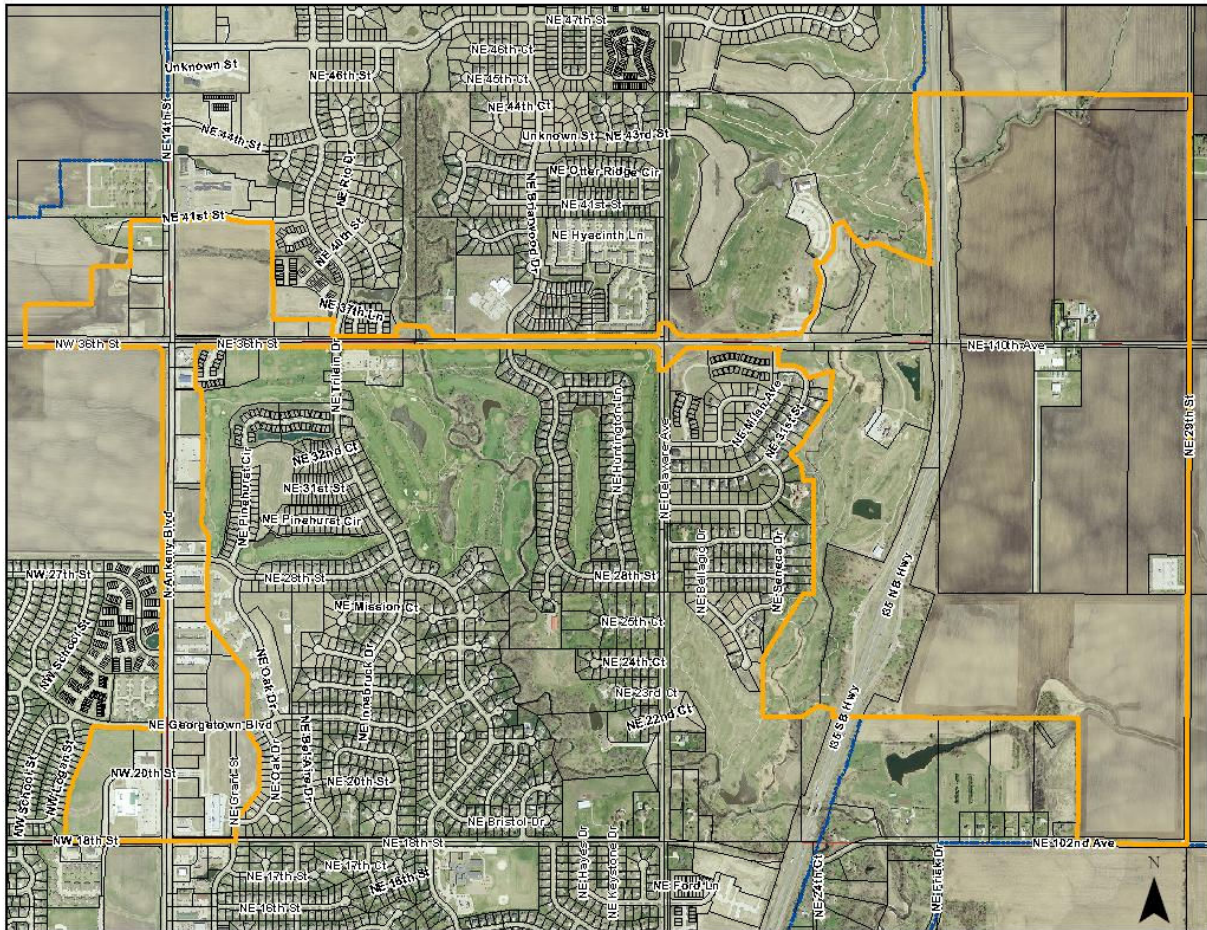
### URBAN RENEWAL AREA LEGAL DESCRIPTION

The Northeast Ankeny Urban Renewal Area consists of the land area described as follows:

Commencing at the southwest corner of section 12, township 80 north, range 24 west of the 5th P.M.; thence east along the center line of NE 18th Street right-of-way a distance of 736.32 feet; thence northerly along the east line of Northpointe Village Center Plat 1 a distance of 227.23 feet; thence north easterly along said plat line a distance of 417.10 feet; thence northerly along said plat line 386.94 feet; thence north westerly along said plat line a distance of 249.85 feet; thence northerly along said plat line to the most north eastern point of Northpointe Village Center Plat 1 a distance of 93.9 feet; thence north along the east line of Northpointe Professional Park Plat 1 a distance of 524.18 feet; thence north westerly along said plat line a distance of 700.27 feet; thence northerly along said plat line to the most north eastern point of Northpointe Professional Park Plat 1 a distance of 303.56 feet; thence continuing northerly along the east lot line of Lot 3, Briarwood Plat 17 to the southern right-of-way line of NE 28<sup>th</sup> Street; thence continuing northeasterly to the north right-of-way line of said street and the southeast corner of Lot 1, Briarwood Plat 21, a distance of 60 feet; thence northerly following the west line of said Plat 21 a distance of 789.75 feet to the south plat line of Outlot X, Briarwood Plat 14; thence west 64.01 feet to the southwest corner of Briarwood Plat 14; thence north to the southern right of way line of NE 36<sup>th</sup> Street a distance of 451 feet; thence east along said right-of-way line to the western right-of-way line of NE Delaware Avenue a distance of 4835.22 feet; thence along the 50 foot radial curve of said right-of-way 78.49 feet southeasterly; thence 200 feet south; thence 50 feet east to the centerline of NE Delaware Avenue; thence northeasterly along the intersection right-of-way line 327.86 feet to the southern right-of-way line of NE 36<sup>th</sup> Street; thence easterly along said right-of-way to the eastern right-of-way line of NE Milan Avenue approximately 1000 feet; thence following the 25 foot radial curve of said right-of-way 41.33 feet southwesterly; thence 116.73 feet south along the western property line of Lot 1 Briar Creek Plat 1; thence following the 25 foot radial curve of the northern right-of-way line of NE 31<sup>st</sup> Street southeasterly; thence following the said right-of-way southeasterly 354.48 feet; thence following the southern property line of Lot 1 Briar Creek Plat 1 northeasterly 275.23 feet to the western property line of Lot 1 Albaugh Golf and Commercial; thence following said western property line to the southwestern most point 4643.77 feet; thence following said property line easterly 389.45 feet; thence northeasterly 235 feet; thence southeasterly 166 feet; thence southwesterly 80 feet; thence easterly 315 feet to the eastern right of way line of I-35; thence continuing easterly 2300 feet; thence southerly 1321.4 to the south line of section 7, township 80 north, range 23 west; thence easterly along said section line 1150 feet to the southeast corner of said section; thence north along the eastern line of said section to the southeast corner of section 6, township 80 north, range 23 west; thence continuing north along the eastern line of said section to the northeast corner of the southeast ¼ of said section 6; thence westerly to the northwest corner of the southeast ¼ of said section 6; thence continuing westerly 278 feet to the western I-35 right-of-way line; thence southerly 1825 feet to the northeast corner of Outlot Z, Otter Creek Redevelopment Plat 1; thence westerly 751 feet along the northern property line to the northwest corner of said Outlot; thence north westerly 195 feet to a northeast corner of Outlot Y, Otter Creek Redevelopment Plat 1; thence northwesterly 142 feet; thence southwesterly 115 feet; thence southerly 255 feet; thence southwesterly 191 feet; thence northwesterly 67.33 feet to the northwestern most corner of NE Otter Creek Drive right-of-way; thence southerly 838.62 feet following the western right-of-way line of said drive to the northern right-of-way line of NE 36<sup>th</sup> Street; thence westerly along said NE 36<sup>th</sup> Street right-of-way line 1320 feet; thence northwesterly 145 feet to eastern NE Delaware Avenue right-of-way line; thence west 94 feet to the western right-of-way line of NE Delaware Avenue; thence southwesterly 145 feet to the northern right-of-way line of NE 36<sup>th</sup> Street; thence westerly along said right-of-way 2150 feet to the southwest corner of Lot 1, AFUMC Christian Life Center; thence south 5 feet; thence west 217.99 feet; thence northwesterly 126.19 feet; thence west 128.01 feet; thence north 11 feet; thence west 202.58 feet; thence south 115 feet; thence west along the north NE 36<sup>th</sup> Street right-of-way line 680 feet to the southeast corner of Outlot B, The Woodland Reserve Plat 1; thence north along eastern property line of said, Lot B 185.5 feet; thence west 655.03 feet to the northwest corner of Outlot C, The Woodland Reserve Plat 1; thence north along the west line of The Woodland Reserve Plat 1 a distance of 1026.36 feet; thence westerly along the south right-of-way line of NE 41<sup>st</sup> Street to the east right-of-way line of U.S. Highway 69 a distance of 1058.18 feet; thence westerly to the northeast corner of Lot 1, Johnson Estates Plat 1, 120 feet; thence west 342 feet; thence southerly a distance of 476.53.18 feet; thence westerly a distance of 400.00 feet; thence southerly a distance of 400.00 feet; thence westerly a distance of 700.00 feet; thence southerly to the center right-of-way line of NW 36<sup>th</sup> Street a distance of 400.00 feet; thence easterly to the western right-of-way line of U.S. Highway 69 a distance of 1,448.77 feet; thence southerly along the said right-of-way line of U.S. Highway 69 a distance of 4,061.66 feet; thence westerly along the north line of Georgetown Plat 2 a distance of 786.40 feet to the north west most corner of said plat; thence south westerly along the west line of Georgetown Plat 2 a distance of 274.17 feet; thence south westerly along the west line of said plat to the north western most corner of Lot 1 Georgetown Plat 2 a distance of 222.17 feet; thence southerly along the east line of Georgetown Plat 3 to the south eastern most corner of Lot 4 of Georgetown Plat 3 a distance of 255.05 feet; thence southerly along the eastern line of said plat to the south eastern most corner of Lot 7 Georgetown Plat 3 a distance of 189.8 feet; thence southerly along the east line of said plat to the south eastern most corner of Lot 9 Georgetown Plat 3 a distance of 189.76 feet; thence southerly along the east line of said plat to the center right-of-way line of NW 18th Street a distance of 138.54 feet; thence easterly along the center right-of-way line to the point of beginning a distance of 1072.07. The area includes all streets and their right-of-way within the Urban Renewal Area and all streets and their right-of-way forming the boundary of the Area.

## EXHIBIT B

### NORTHEAST ANKENY URBAN RENEWAL PLAN AREA MAP



## **EXHIBIT C**

### **NORTHEAST ANKENY PROPOSED URBAN RENEWAL ACTIVITIES**

1. Interstate and Street Construction, Reconstruction, and/or Widening
  - Construct an interstate interchange at NE 36<sup>th</sup> Street and Interstate Highway 35 including related streets, bridges, traffic signals, signage, turn lanes, and median improvements etc.
  - Reconstruct North Ankeny Boulevard widening from 2 lanes to 5 north of 18<sup>th</sup> Street
  - Reconstruct NE 36<sup>th</sup> Street widening to a 5 lane cross-section
  - Improve NE 36<sup>th</sup> Street from the intersections of NE Delaware Avenue to NE Four Mile Drive
  - Reconstruct NE Four Mile Drive to City arterial roadway standards
  - Roadway widening of arterial streets and connection and creation of local and collector streets to provide access to developments and for service and protection;
2. Parks, Municipal Bike/Pedestrian Trails, and Landscaping
  - Construction of an off street trail along the North Ankeny Boulevard widening project;
  - Construct an eight-foot wide trail along the north right-of-way line of NE 36<sup>th</sup> Street
  - Construct a five-foot wide trail along the south right-of-way line of NE 36<sup>th</sup> Street
  - Acquire land and build improvements for a public park and open spaces serving the development of business parks.
3. Sanitary Sewer
  - Reconstruction of sanitary sewer east of the I-35 rest station;
  - Construction of a trunk sewer along the Four Mile tributary from NE 18<sup>th</sup> Street north;
  - Construct other sanitary sewer mains, meter pits, and related public improvements within the Urban Renewal Area;
4. Storm Sewer
  - Best management practices associated with business park development and public improvements along tributaries to and within the Four Mile watershed to improve water quality and reduce flooding within the Urban Renewal Area;
  - Construction of storm water detention/retention facilities or other storm water improvements such as ponds, drainage basins, drainage swales and storm sewers to effectively manage the volume and improve the quality of storm water run-off;
5. Water Improvements
  - Major water main improvements along the NE 36<sup>th</sup> Street widening project;
  - Major water main improvements along the North Ankeny Boulevard widening project;
  - Construct water mains, distribution mains, water storage facilities, meter pits, and related improvements within the Urban Renewal Area;

6. Specific Projects listed in the 2010-2019 Capital Improvements Program

STR-06-002	North Ankeny Blvd Phase 2	7,555,000
STR-06-003	North Ankeny Blvd Phase 3	3,056,000
SNS-12-001	Otter Creek Sewer	2,242,000
STM-11-003	Four-Mile Bank Stabilization	265,000
STR-08-002	I-35 / 36th Street Interchange	27,200,000
SDW-10-001	Woodland Reserve Greenway	2,100,000
STR-11-003	NE 36th Street	8,150,000
STR-17-001	Interstate Widening	11,200,000